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Chance for common sense in superpower dialogue

DIE ZEIT

Could world affairs have reached a turning-point? Might superpower statesmen finally find their way out of the vicious circle of blind mistrust and *constant arms* build-up?

Could it be that a return to detente is possible and that a constellation will arise in which it is more lastingly and more reliably based than in the 1970s?

*For the first time in ages cautious op*timism is warranted.

In his opening address at the 27th Soviet Communist Party congress Mr Gorbachov may have sounded a harsh note toward Washington, saying the Soviet Union had no intention of striking its sails in international affairs.

But if it is to solve its enormous domestic problems it needs East-West relations based not on bitter confrontation but on cooperation to a growing extent.

President Reagan may be sticking to his plans for anti-missile defences in outer space, but his first answer to the new Soviet leader's disarmament programme shows signs of US readiness to halt the arms race and even reverse it a turn of the screw.

It is a fresh opportunity for common sense, and a convenient one on three counts:

- First, we are living at a fairly tension-free stage in world affairs.
- Second, *economic constraints* are pulling in the same direction in both East and West, with neither able any longer to afford both guns and missiles.
- Third, there is a universal realisation *that the existing* deterrent dogma is bound to plunge mankind into disaster unless it is brought to political reason.

World affairs are at a fairly quiet stage. This claim may surprise those *who mistake the* excitement of headlines for a true reflection of reality. But ties between [illegible] have not been so friction-free for ages despite periodic propaganda broad*sides.*

There is no Berlin crisis to overshadow everything. Despite continued clashes of viewpoint and conflict of interest over Afghanistan and Nicaragua, despite a wide range of hot spots in the Third World, there is no major dispute on the horizon likely to plunge America and Russia into direct confrontation.

There has been no sign of the ice age widely forecast as a result of missile deployment or President Reagan's SDI programme.

The Russians have returned to the disarmament conference table. The US and Soviet leaders have met and are preparing for their second summit meeting. The Americans are keen to step up trade and have lately even offered to sell Moscow the latest oil-producing equipment.

Beyond the ken of a wider public talks continue on regional problems such as the Middle East, Afghanistan, South Africa, Central America, the Far East and South-East Asia.

But the economic imperative is even more important. If anything, it will make the superpowers limit their disputes and call a halt to further expansion of military stockpiles.

The deciding *force* of the economic imperative makes its presence as keenly felt on the Potomac as it does on the Moskva.

The Soviet Union can look back on a *decade of slow economic growth during* which it has failed to exceed two per cent per annum.

Recurring failed harvests have made it a constant customer for the West's *farm surpluses, while its technological* base has grown more outmoded by the year. Russia has slept through the computer revolution and Soviet productivity has declined.

The world's second-largest economy has been overtaken by much smaller Japan. There have been sudden bottlenecks in energy supplies, with oil production declining.

Inflexible bureaucracy, cumbersome planning, an inert labour force: muddling through, castigated though it might be by Mr Gorbachov, was the best Moscow could manage.

The new Kremlin leaders aim to change this state of affairs by the turn of the century.

Unlike Mr Khrushchov, who pro*mised to draw level with and overtake* the United States by 1970, they are not making the 270 million Soviet citizens unrealistic promises.

The latest growth rate target is a modest four per cent a year, and even this modest target presupposes a tre- [illegible] tion is to work.

Mobilising and motivating people *alone will not be enough. More disci*pline, less alcohol, more honesty, less

Continued on page 2

Chancellor Kohl (left) is awarded the Legion of Honour in Paris as President Mitterrand (right) looks on. (Photo: dpa)

Danish referendum part of a great day for Europe

General-Anzeiger

Two events made February 28 a great day for Europe. One was the Danish referendum and its clear endorsement of European Community reform, the other the 47th round of Franco-German consultations in Paris.

The referendum was followed by the signing of the Luxembourg agreement by Denmark, Greece and Italy to make up the full European Community dozen.

The Franco-German consultations resulted in even closer collaboration in foreign and security policy.

The European Council's December 1985 *reform package, often dismissed as* the lowest common denominator, is in reality a comprehensive means of pressing ahead with European development.

This applies in equal measure to im*provements in decision-making pro*cesses and to the Twelve's contractual undertaking to perfect the common domestic market by 1992.

It also applies to the European technology community, Eureka, and to foreign and security policy cooperation.

[illegible] decisions reached last year, from budget consolidation to membership for Spain and Portugal and the *Eureka* project, have taken the community a great step forward.

Britain, whose membership problems kept other members of the Common Market with bated breath for a decade, has finally agreed to a common understanding.

A *new era has begun, and provided* energetic use is made of it, the Luxembourg Act could lay the groundwork for new and dynamic developments.

Bonn and Paris have paved the way *since the summer 1983* Stuttgart declaration.

In Paris President Mitterrand and Chancellor Kohl laid the groundwork for their two countries, unclouded by domestic developments, to make further headway toward European integration.

The close links between their foreign services and the Franco-German agreement on defence and security policy cooperation are almost bound to lead to the framing of joint policies and concepts.

In this framework there will be a place for the Hermes space project. The international leeway of both countries is substantially extended as a result, while foreign and security policy in the entire European Community will be given a boost as a result.

Europe has gained in weight, a further contributory factor being the Dutch parliament's decision to rejoin the ranks of common security policy and give the go-ahead *for the stationing* of 48 cruise missiles.

This all occurred at just the right moment to lend Europe's voice and European interests an extra hearing and greater respect at a dramatic stage in East-West ties.

(General-Anzeiger, Bonn, 1 March 1986)

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■ WORLD AFFAIRS

Marcos ouster alone solves few of Manila's problems

NÜRNBERGER Nachrichten

For the second time in a matter of weeks, first in Haiti, then in the Philippines, the United States has played its part in helping to oust a dictatorial regime.

America's conservative Republican President has in both cases done exactly what he accused his conservative Democratic predecessor, Jimmy Carter, of doing in Somoza's Nicaragua: dropping like hot potatoes allies loyal to the United States for decades.

This need hardly be reprehensible when the moves are in fact so very encouraging, being based on the clear recognition that the ousting of the Haitian and Philippine dictators was long overdue. Better late, one is tempted to say, than never.

In the Philippine crisis the Americans certainly reacted more than they acted. Last year, when President Marcos was first warned by Washington, the aim was to shore up the shaky regime and not oust it.

Scepticism grew among his friends on the Potomac when the stubborn dictator chose to ignore the threat to his rule from both the Muslim and Communist guerrillas and widespread public dissatisfaction with his regime.

President Reagan's expectation that his opposite number in Manila would at least be able to legitimise his rule once more by victory at the polls burst like a soap bubble.

Despite the most outrageous electoral chicanery for ages the White House was serenely unaware of the true situation and felt to the last it might still save its old ally.

Washington had unrealistic visions of collaboration between the Opposition and the hated despot, and it took the decision by military leaders to abandon President Marcos to decide the US government finally to abandon the old regime.

These facts must be recalled in painstaking detail, and not just out of spite but because only a level-headed, unbiased analysis of events can shed light on further progress.

The United States can be seen to lack a clear concept for the future of its Third World partners — just as it has so far been caught on the hop by the course of events.

After recent unfortunate experiences the United States has clearly parted company with the illusion that right-wing authoritarian rulers guarantee long-term stability in their sphere of influence.

That alone is a striking change of mind which has led to the gradual democratisation of major Latin American countries, such as Argentina, Brazil and Uruguay.

But the tyrants' departure is not enough. If Washington is to seize the resulting historic opportunity it must acknowledge the common root cause of crisis in many countries affected: the need for deep-seated structural reform.

This America can only do in frank acknowledgement of the trauma of global strategic bases that did in deed fall in swift succession like dominoes: Cuba, Vietnam, Cambodia, Iran and Nicaragua.

The majority of people in South America and in the Philippines suffer from conditions best described as a Spanish disease dating back to their respective colonial days.

Gigantic estates and immense wealth in few hands are characteristic of this state of affairs, as is the unbelievable misery in which the remainder live.

Hopes of lasting stability are bound to be wishful thinking for as long as property is so unevenly distributed and social injustice is so striking.

Conclusions of a much more far-reaching extent than hitherto envisaged are urgently needed. They must extend to a fundamental rethink of conventional North-South policy and a revision of present attempts to deal with international debt problems.

Demonstrative elections as in Guatemala or El Salvador as demanded by Washington to prove governments are democratic and freely elected are certainly not enough. First, as playwright Bert Brecht drastically puts it, comes the full belly, then morality.

In other words, the basic needs of a Philippine fisherman, a Bolivian farmer or a Sao Paulo slum-dweller are a far cry from the fine words of the US government, which although it boasts a constitution born of revolution has often set aside these ideals in favour of Batistas, Duvaliers and Marcos.

The Cubans may live in tyranny again, as the Americans are right in pointing out, but there can be no denying that people in Haiti, which is only 70km to the east, are on the verge of famine.

For them, as for the plucky Filipinos, who could hardly have demonstrated their love of freedom more strikingly, what now matters first and foremost is whether social and economic change, longed for for generations, can now go ahead.

Every other Filipino is either out of work or chronically underemployed. Over the last decade real wages under Marcos have been halved.

Nepotism, corruption and the transfer abroad of enormous sums of money have caused economic agony.

Although the Philippines, which is *DM63bn in debt*, needed every penny to avert financial collapse it has slowly bled to death as a result of this exodus of capital.

Can Corazon Aquino and her associates, all from the rich landowning families, grasp the problems of the millions and millions of poor, let alone take them seriously or do anything about them?

This question must for the time being go unanswered, just as must the question whether the new government in Manila will succeed in containing the traditionally dominant political influence of the military and disciplining the notorious security forces as a whole.

Fraud, exploitation, torture and murder have been hallmarks of the past 20 years. Domestic peace will only take the place of permanent terror provided social progress comes to light and overlays this darkest chapter in Philippine history.

For the time being the armed resistance movement will doubtless continue to fight underground.

Christian S. Krebs

(Nürnberger Nachrichten, 26 February 1986)

Violent death of a man of peace

Politicians are always in danger. The more important and influential their position is, the greater the risk they run in a world in which violence, up to and including murder, is increasingly used to solve personal and political problems.

It is a particularly sad irony that this violence in no way spares those who are committed to peace and to striking a balance.

Swedish Premier Olof Palme, killed by an assassin's bullet, was one *such man*. In what he said and what he did he was a symbol of hope for many, yet he was evidently unable to avoid attracting the *hatred* of some.

His pressure for a peaceful settlement extended to intergovernmental relations, especially ties with the Third World, and to relations within Swedish society.

It was doubtless because he was aware of having made a major contribution toward relaxing tension in Sweden that he decided to dispense with his police bodyguard.

He was one of the few politicians who triggered both personal sympathy and brought to mind the epithet "credible".

His personal integrity even earned him the respect of those who felt his *approach* to, say, arms control was *wrong*.

The mourning evident at the spot where he was shot and killed was an impressive demonstration. In its spontaneity and quiet it testifies to people feeling deeply affected by the assassination.

This sorrow certainly makes it clear that one of the world's few great men died in the hail of bullets in a deserted Stockholm street.

Klaus Kleebaum

(Westdeutsche Allgemeine, Essen, 3 March 1986)

Continued from page 1

mismanagement: they too will not suffice.

Improvements in economic mechanism as envisaged in the Party programme cannot clinch matters either. Structural reforms are needed too. Modernising the Soviet economy calls for blueprints and cash.

It is hard to see where the advanced technology and financial wherewithal are to come from — if not from the capitalist West.

Eastern Europe can hardly step up its exports to the Soviet Union to any great extent. The GDR and Czechoslovakia may have done so last year, but all other East Bloc countries run a deficit in trade with their Soviet Big Brother. Their product quality likewise leaves much to be desired.

Mr Gorbachov simply cannot go ahead with his programme without capital goods from the West. He needs cooperation with Western exporters. He needs Western know-how. He needs training facilities in the Soviet Union staffed wholly or in part by Western specialists.

He will be unable to make ends meet without Western loans either, as Soviet reserves of hard currency are not enough to pay for purchases abroad (especially now oil prices are down again, reducing Soviet foreign exchange earnings by a third this year).

If Mr Gorbachov wants to prevent the balance of world power from swinging away from the Soviet Union he will need to seek both coexistence and cooperation with the West in all sectors, including disarmament, which could release enormous funds for domestic economic reconstruction.

The situation is little different in the United States. True, America may have been through a boom in recent years. New jobs have been created and GNP growth rates have been substantial.

But it has been a boom on borrowed money, paid for by Federal budget deficits totalling roughly $200bn a year.

President Reagan, a conservative, has emerged as the largest debt-maker in American history with a kind of military Keynesianism.

When he took office five years ago his entourage naively felt America could somehow simply arm the Soviet Union to death.

Now only a handful of blinkered ideologues still hold this belief in Washington. Everyone else has since realised that the United States cannot afford both a military build-up and civil wealth.

The US budget deficit, which to crown it all has resulted in international economic upsets, is now to be energetically reduced.

Where and how cuts are to be imposed remains to be seen, but one point is clear: the Pentagon's budget can no longer be spared.

Not even budget appropriations for President Reagan's pet project will be spared; SDI estimates can expect to be further reduced.

When the axe comes, that could mean a $75bn cut in Mr Reagan's $312bn defence estimates. The best he can hope for is a freeze in defence spending.

Financial constraints must be joined in both East and West by a reappraisal if the way is to be paved for common sense.

The past 40 years ought to have taught us all that a constant arms race no longer brings security for anyone. An outlook based solely on stability by means of drawing level with the other side will only increase potentials, not reduce them.

An approach determined by mathematicians and physicists will invariably end in horrific scenarios in which the deterrent fails. It must be replaced by a psychological and political viewpoint that doesn't see something as probable merely because it appears conceivable.

A rethink is needed and has already begun. The new Soviet Party programme continues to sing the praises of peaceful coexistence, no longer as a specific form of class struggle but as a prerequisite for survival in the nuclear era.

What matters is to make peace thinkable. As yet the two sides are *still too* apart. Mr Gorbachov's disarmament bid, Mr Reagan's space plans and the proposals to eliminate medium-range missiles in Europe are all controversial.

But for the first time in 10 years there is at least a chance of the two sides seriously arguing the points again.

Theo Sommer

(Die Zeit, Hamburg, 28 February 1986)

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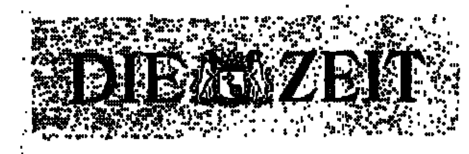
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■ FOREIGN AFFAIRS

South Africa at crossroads, says Buthelezi in Bonn



My fears that the general radicalisation in South Africa and the escalation of police brutality and black extremism might have forced Chief Gatsha Buthelezi to abandon his otherwise level-headed stance proved completely unfounded.

There he stood in a Bonn hotel lobby his customary reserve and modesty.

Nobody would suspect that this man is one of today's most prominent African politicians and a much-travelled man.

He had been been granted a Papal audience, held negotiations with President Reagan and Mrs Thatcher and was now in Bonn for top-level talks.

During my interview with Chief Buthelezi it soon became clear that he is still the cool observer and convinced democrat he always was regardless of the hostilities to which he has been recently subjected.

Back home in South Africa Buthelezi, who is against violence and for negotiations with the South African government, is almost as unpopular in certain circles as President Botha.

Botha has been forced to try and pacify the right-wingers in his National Party and calm down the whites, who are worried about their country's future

On the other hand, he has tried to accommodate the demands of the blacks by promising them the complete opposite: radical change.

Botha is trying to come to grips with this dilemma by forwarding very misleading proposals and increasingly nebulous constitutional solutions.

Buthelezi, however, voices his principles more frankly and clearly, a fact which makes him more vulnerable to criticism.

He even shows understanding for the situation of the whites and for their fear of black majority rule.

"If you understand their psychology", he said, "then you'll understand that the removal of the ban on mixed marriages, which related to a key aspect of the apartheid system, was very important to them and not, as many people claim, just a cosmetic measure".

His initial response to the eagerly awaited speech by President Botha at the opening of parliament in which Botha referred to the end of apartheid, was extremely positive.

"Botha has got real courage", Buthelezi remarked.

He was also impressed by Botha's promise to set up a national council under his chairmanship, which would function as an advisory body to pave the way for power-sharing.

This announcement, however, was soon followed by an extremely disappointing event in parliament.

Botha rebuked his foreign minister for having told western correspondents that he could well imagine that South Africa would one day have a black president.

The leader of the country's white Opposition, Frederik van Zyl Slabbert, was so disgusted at the government's "amateurism, dishonesty, deceitfulness and blindness" that he resigned his office and seat in parliament.

Buthelezi explained that he has no intention of being dragged into negotiations which simply set out to create absurd and sham-democratic parliamentary structures.

He already refused to participate in the President's Council P.W.Botha set up several years ago.

"It is ridiculous", he said, "to set up a black advisory council to advise the President's advisory council".

Whenever the government tried to gain Buthelezi's support he always demanded a clear definition of the intended role of the blacks in the government's plans.

Fifty-seven-year-old Gatsha Buthelezi is the cousin of the ruler of the six million Zulus, the largest tribe in South Africa.

This explains why he is such an important figure in the government's plans. Buthelezi studied history and African administration at Fort Hare University.

Although he is a learned and modern-minded politician he is not averse to dancing the Zulu tribal war dance in traditional dress.

In his younger years he was a member of the ANC youth group and worked together with Albert Luthuli, the president of the ANC who was later awarded a Nobel prize.

He still speaks affectionately of Nelson Mandela, whose release he always emphatically demanded.

Level-headed leadership is important, he feels, in a movement which is becoming more and more radical.

In answer to my question whether he could imagine a Buthelezi/Slabbert condominium in Pretoria at some stage in the future he replied: "No, for if Nelson Mandela is elected I shall loyally support him".

The big difference between Buthelezi and the ANC is that the latter supports the use of violence.

Buthelezi is uncompromising on this point. He is a out-and-out opponent of violence.

"It is ludicrous," he says, "to claim that the government is shaky and that power for the blacks is within reach. So far the government has only used a fraction of its tremendous power.

"What is more, preconditions for a revolution do not exist ; the army and the bureaucracy is loyal to the government".

Chief Buthelezi is president of the Inkatha, a cultural liberation movement of his tribe, which already has a million members.

He is a strong advocate of a state under the rule of law and feels that democratic institutions are absolutely essential.

He criticises his friend Slabbert for resigning from parliament because he feels that the people's elected representatives are the only people who can effect change.

Buthelezi is convinced that negotiations are the only answer.

Nevertheless, he has, much to the annoyance of President Botha, refused to take part in any kind of negotiations with the government until it issues a statement of intent.

"It doesn't have to go into detail", he stresses, "but it must clearly mark out the power-sharing framework".

His aim is a one-man-one-vote system, although he knows this cannot be achieved overnight.



Chief Buthelezi (Photo: dpa)

"How long will this take?" I asked him. With a sceptical and earnest look on his face Chief Buthelezi answered: "That's something you cannot know in advance."

The government is angry at the fact that the Zulu chief has consistently refused to lead his native Kwa-Zulu into so-called independence and turn it into a homeland.

Buthelezi has bitterly fought the new constitution, which gives Indians and Coloureds (persons of mixed race) the right to vote, pointing out that this would result in a catastrophe — which it has.

It was his proposal which in 1980 led to the setting up of a commission named after him, which drew up some extremely useful proposals for the removal of apartheid.

In a highly interesting interview with the South African magazine *Leadership* the editor-in-chief, Hugh Murray, asked **Buthelezi *why he insisted* on the** one-man-one-vote principle and on the fact that South Africa must be a unitary state.

Buthelezi replied: "I feel that we have all been brainwashed because we were once part of the British Empire.

"Everything which relates to Westminster and the House of Commons seems as if it has been decreed by God himself.

"One man, one vote in a unitary state is my first choice; however, I cannot believe that we have the right to destroy ourselves and our country just for the sake of these values".

Buthelezi is a pragmatist and realist. He supports the market economy system. "It's no good killing the goose that lays the golden eggs", he says.

"Redistribution of wealth is nonsense — black people must be able to participate in the market economy, that's the main thing."

"What about disinvestment?" I asked. "In the long run we're the ones to suffer", Buthelezi replied.

The black opposition groups in South Africa criticise Buthelezi for working within the system.

The government, too, is angry at the fact that he rejects everything which does not tally with his own democratic principles.

And what does Buthelezi expect in the near future?

"We're standing at a crossroads. Either South Africa will manage to form a government of national reconciliation backed by the people or — if we do not find the strength to do this — we will have to look on as the country becomes submerged in violence and anarchy".

One can only hope that the government finds this strength as long as men such as Mandela and Buthelezi are around.

Such men are few and far between.

Countess Marion Dönhoff

(Die Zeit, Hamburg, 28 February 1986)

Bonn coalition in two minds on Namibia

The coalition government in Bonn has been unable to reach agreement on policy towards Namibia. That is why the Cabinet has not yet replied to a question tabled by the Greens eight months ago.

The main problem is disagreement on a plan for the independence of Namibia, formerly South-West Africa, which is still governed by South Africa.

It looks, however, as if agreement has been reached on other aspects, such as the granting of development aid to Namibia before its independence has been internationally recognised.

The Ministry of Economic Cooperation merely feels the Foreign Office should reword its statements in certain respects.

The disharmony in the coalition is a repeat performance of a dispute which was triggered by a parliamentary question on South Africa tabled by the SPD in 1983.

The coalition has already agreed on how to answer a second question by the Greens.

This reply has been shelved, however, since both questions are to be answered at the same time.

The second question deals with the business links of West German banks with South Africa.

The CSU would apparently seem to *view the significance of the independ*ence plan forwarded by the United Nations and Western governments as just one of several possibilities.

The Bonn government — both the Chancellor's Office and the Foreign Office — insists that UN Security Council Resolution 435, calling for free and fair elections "under the supervision and control of the United Nations," must be upheld.

In his greeting to a German-language weekly newspaper issued in Windhoek, *Namibia Nachrichten*, Chancellor Kohl recently referred to the plan as an "indispensable foundation".

The South African government and US African envoy Chester A. Crocker have also acknowledged Resolution 435 as a point of reference for their efforts to safeguard Namibia's independence.

But CSU chairman Franz Josef Strauss, who has shown particular interest in Namibia, CSU Bundestag members and a growing number of CDU and FDP parliamentarians feel the interim government in Windhoek declared "null and void" by the Bonn Foreign Office and other Western governments deserves support.

The aim of this "interim government of national unity" appointed in June 1985 is to open up possibilities for political activity to parties in Namibia.

This government, however, could also be an attempt to obtain Namibia's independence outside of the UN plan.

Herr Strauss seems to feel that other solutions must be found, since for some time has been a standstill in efforts to bring about Namibia's independence.

(Frankfurter Allgemeine Zeitung für Deutschland, 26 February 1986)

■ THE COURTS

New line-up ahead at Karlsruhe court

DIE WELT

In the early 1980s the Federal Constitutional Court in Karlsruhe looked like grinding to a halt under pressure of a growing number of cases pending.

This pressure has since been eased, says Chief Justice Wolfgang Zeidler. Last year there was a further decline in the number of new cases registered.

In 1983 the Karlsruhe court groaned under weight of 4,000 new cases. In 1984 the number was 3,484. Last year saw a further decline to 3,141.

A survey commissioned by the Federal Interior Ministry in mid-1985 shows only the head of state to enjoy higher repute than "Karlsruhe" as a government institution.

And the chances of constitutional appeals being upheld is no worse than in the past. For years the court has found in favour of the plaintiff in a steady 1.2 per cent of cases.

So the further decline in new cases last year can mainly be attributed, Professor Zeidler feels, to suggestions that a fee might have to be charged for appeals that are dismissed.

Since the New Year the court has been entitled to award costs, in the form of a fee, against the plaintiffs in cases dismissed. Zeidler sees this as a means of *self-defence to stop pointless cases* from being registered.

Yet the backlog is still far from having been caught up with. Cases pending before the two chambers increased in number last year: from 1,661 to 1,777.

As the court and its 16 judges will this year be dealing more than ever with political disputes, there is little likelihood of relief in 1986.

The burden will probably increase now seven of the 16 are due to retire in the next year and a half.

This largest and most sweeping manpower change in the history of the Federal Constitutional Court will take place gradually but is already beginning to affect the work of the two chambers.

The first of the seven to retire will be Hans Justus Rinck in October. He has served the second chamber for 18 years without ever making headline news.

Controversy persists over whether the SPD is entitled to nominate his successor. Assuming the Social Democrats are entitled, his place will be taken by a woman.

Yet the SPD working party are finding it easier said than done to nominate a suitable candidate.

She must be a judge at one of the five supreme courts but she mustn't be a member of the SPD.

Hans Justus Rinck is one of the four "neutral" members of the court: Professor Konrad Hesse and Franz Niedermaier of the first chamber and Professor Helmut Steinberger and Hans Justus Rinck of the second.

Ingeborg Wolff of the Federal Welfare Court in Kassel would probably have been the likeliest SPD nominee, but she is now said to be out of the running on family grounds.

That leaves a trio of women judges said to have been shortlisted, but no-one knows who is the favourite.

Ingeborg Franke of the Federal Administrative Court in Berlin enjoys a slight advantage over Christine Krohn and Karin Grasshof of the *Bundesgerichtshof* — in Karlsruhe in that her court deals with civil service issues. Hans Justus Rinck can fairly expect his successor to be appointed before he retires; not so Professor Konrad Hesse, the well-known Freiburg constitutional lawyer.

His term expires a few days after the 31 January 1987 general election deadline, so the Bundesrat is unlikely to appoint a successor until several weeks later.

His successor will probably be chosen together with the judges who will replace five men due to retire in November 1987.

The outgoing judges are Helmut Simon and Dietrich Katzenstein of the first chamber and Chief Justice Zeidler, Mannheim international lawyer Helmut Steinberger, and Engelbert Niebler of the second.

Apart from Erich Steffen, the SPD head of the Press law chamber at the *Bundesgerichtshof* in Stuttgart, who has been earmarked to replace Helmut Simon, only one point seems as good as sure.

Outgoing judges Helmut Simon, Wolfgang Zeidler and Hans Justus Rinck. (Photos: Sven Simon 2, ...)

It is that Chief Justice Zeidler, the first Social Democrat ever to hold the post, will be succeeded by a Christian Democrat, Professor Roman Herzog.

Professor Herzog, currently deputy chief justice and head of the first chamber, has been as little inclined to be at his party's beck and call as has Professor Zeidler, who is a statist by inclination.

No-one yet knows who will take over from Professor Zeidler, an associate of Helmut Schmidt's, as head of the second chamber and deputy chief justice.

A popular choice would have been Professor Otto Rudolf Kissel, head of the Federal Labour Court in Kassel. But at 57 he is too old for the SPD.

Professor Kissel, a Social Democrat and leading Protestant layman, would only serve for just over two years as Professor Herzog's successor before he too reached retiring age.

A possible candidate whose name is mentioned increasingly often is a member of the nuclear law panel at the Federal Administrative Court in Berlin who is also in the running to succeed Dieter Bischoff as head of the North Rhine-Westphalian Administrative Court.

He is Eberhardt Franzen, 48, a man Federal Administrative Court chief justice Horst Sendler would soonest see as his own successor.

He is not only an outstanding judge; he also enjoys the full confidence of his party as a former member of staff of the Social Democratic parliamentary party in Bonn.

Henning Frank

(Die Welt, Bonn, 17 February 1986)

Party politics and the bench

When a Social Democrat on good terms with the leadership of the ruling party in Bonn was given preference over another candidate for judge at a Federal court in 1975, the CDU/CSU members of the electoral panel left the room in protest.

The panel consists of 11 Bundestag MPs and 11 representatives of the *Länder* in keeping with party-political strength in the Bundestag and Bundesrat.

The scene was virtually repeated recently, but with the roles reversed. SPD members of the panel trooped out in protest, claiming the coalition had wanted to nominate 11 of 12 new judges and steamroller them through.

Social Democratic Bundestag MP Alfred Emmerlich referred to a massive breach of minority rights, whereupon Christian Democrat Benno Erhard said the Opposition had wanted to nominate up to 7 of the 12 candidates.

The clash recurred in the Hesse state assembly when two lawyers crossed swords.

Hesse Justice Minister Herbert Günther, SPD, defended the Bonn walkout, saying the CDU had totally ignored the established practice of bearing the other side's proposals in mind.

Gottfried Milde, CDU leader in the state assembly, promptly called Dr Günther a liar.

Only those who took part will know just what happened at the proceedings, which were held in camera.

But after the SPD walkout the judges appointed were mainly CDU men. For the Federal Labour Court for instance three CDU men and one SPD were selected.

The man in the street is bound to wonder whether this state of affairs must persist. Article 97 of Basic Law, the 1949 Bonn constitution, says "judges are independent and subject only to the law."

How can they judge impartially if ruling parties try to ensure that their nominees are elected?

How can they be impartial if the aim is to ensure majorities for one party or the other at the Federal Supreme Court in Karlsruhe, the Federal Labour and Federal Welfare Court in Kassel, the Federal Administrative Court in Berlin and the Federal Finance Court in Munich?

This may be a fair practice in staffing Ministries with senior civil servants, but ought it to apply to judges, who for good reason cannot be dismissed?

State secretary Manfred Baden of the Federal Labour Ministry recently went to Kassel to see off the outgoing vice-president of the Federal Labour Court and present his successor with his credentials.

The court's chief justice, Otto Rudolf Kissel, took the opportunity of referring in public to criticism of the way in which judges were appointed.

They were legally appointed, he said, by Bundestag MPs and *Land* Ministers, who were bound to be guided by political considerations.

It would be expecting superhuman achievement to insist on party-political considerations of any kind being totally ruled out, he said.

Superhuman or not, it would certainly have been in vain. Hours later behind closed doors in another courtroom, a CDU judge was given preference over a far better-qualified SPD man who had been with the court for four years.

The impression conveyed was that the people concerned were far from happy with this state of affairs. Primarily party-political appointments do the courts' prestige no good and fail to foster public confidence in the judiciary.

Party-political bias is extremely bad policy. All judges, both those preferred and those who aren't, know the appointees' party-political [illegible] to play no part whatever.

It is unfair to judges for politicians to give rise to expectations judges can not legally fulfil.

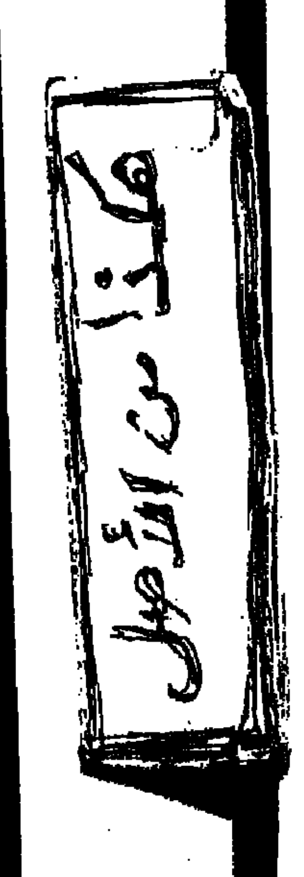
Even judges who belong to a political party are bound by the law and neither able nor willing to give partisan judgments.

The appointments panel and composition are laid down in the constitution, but it and its job would stand to benefit from a suggestion that seems to have been made 15 years ago by the chief justices of the five main Federal courts.

They felt a simple majority ought to be enough. Judges ought to be appointed by a two-thirds majority. Government and Opposition would then need to get together and agree on nominations. Qualifications would, it [illegible] felt, then count for more than party cards.

Siegfried Löffler

(Der Tagesspiegel, Berlin, 19 February 1986)



■ PEOPLE

SPD legal expert faces expulsion

Cologne constitutional lawyer Martin Kriele is so soft-spoken that the explosive punch he packs, as yet within the SPD, comes as a surprise.

In the early 1970s he was a Social Democrat with strong views on the German Question who argued the Brandt government's case on the 1972 Basic Treaty between the two German states before the Federal Constitutional Court.

He since seems to have sided against SPD leader Willy Brandt even though he still feels it was right for Bonn to clarify just where it stood in the East.

But he now accuses Herr Brandt as chairman of the Socialist International of allowing the Americans to be vilified as the arch-enemies instead.

Professor Kriele fears the difference between democracy and dictatorship is being disregarded simply because the SPD is not prepared to compare its dreams with the reality.

He cites glorification of the dictatorship in Nicaragua as an instance of what he calls justification lies. The Cologne prof has roused the ire of political dreamers. He is in the process of being expelled from the SPD.

Has the SPD changed to such an extent that Kriele can rightly wonder whether it still staunchly stands by its basic values of freedom, justice and solidarity? Or is it Kriele who has changed? The past 25 years have made their mark on both.

Vilma Sturm once made a quotable comment on the Cologne brand of left-wing Catholicism. In the end its supporters, including the late Heinrich Böll, were no longer Catholic, she wrote; they merely remained left-wing.

If that were true of Martin Kriele he would surely not have edited last year a work by Tomberg on Lazarus and the Miracle of the Resurrection.

Yet Kriele clearly feels freedom and religious beliefs are even stronger than party unity.

A 55-year-old constitutional lawyer and legal philosopher born in Opladen, near Cologne, he has certainly stayed true to himself in his love of major topics.

As a teenager he ran a student club in Bad Homburg and invited the US high commissioner in Germany, John J. McCloy, to persuade him how essential it was to help Germany set about the



Martin Kriele

(Photo: Brigitte Friedrich)

task of post-war reconstruction. This commitment led to a close personal friendship, just as did his invitation of constitutional lawyer Hans Julius Wolff to speak on What is Justice?

Kriele was later to write for Wolff his PhD thesis on Criteria of Justice and his *Habilitationsschrift*, a further PhD required of German university teachers before they qualify as professors, on the Theory of Arriving at Justice.

His inaugural paper as a member of the Constitutional Law Association was a 1970 essay on The Democratic Principle in Basic Law (the 1949 Bonn constitution); he has since become an executive board member of the association.

He enlarged on this idea in his Constitutional Government, 1975/81.

He has been increasingly adamant in his published work that human rights cannot be defended where there is no division of authority. He has also sounded an increasingly warning note about detente at any cost (Human Rights Between East and West, 1977).

The leitmotif of combining right and justice also recurs in Kriele's work on the theology of liberation and left-wing plans for Latin America (Liberation and Political Enlightenment).

His latest book, Nicaragua — America's Bleeding Heart, 1985, reads as though it were the practical example on which these theoretical precursors were based.

It tells the tale of a journey to a country where hopes have been dashed.

When it appeared Hans-Jürgen Wischnewski penned personally derogatory remarks in the *Sozialdemokratischer Pressedienst* to which Kriele was given no opportunity to reply.

That could hardly clash more embarrassingly with the fair play slogan SPD Shadow Chancellor Johannes Rau has adopted.

Kurt Reumann

(Frankfurter Allgemeine Zeitung für Deutschland, 1 February 1986)

CDU union leader is a thorn in the government's flesh

Christian Democrat Gustav Fehrenbach has been termed a Stone Age trade unionist by FDP leader Martin Bangemann. FDP general secretary Helmut Haussmann has called him a sniper.

Fellow-members of the CDU social committees, the working-class wing of the Christian Democrats, would sooner see him as their "Iron Gustav."

Fehrenbach, 61, was born in Lörrach, Baden-Württemberg, but orphaned at eight. He grew up with an uncle in Passau, Bavaria.

As assistant general secretary of the DGB, Germany's Düsseldorf-based trades union confederation, he is such a thorn in the flesh for some Christian Democrats that there have been calls to expel him.

He was a paratrooper and wounded five times during the Second World War. He has been a member of the CSU since 1953 and the CDU since 1966.

Yet that has never stopped him from overtaking SPD trade unionists on the left if he felt their views on an issue were too right-wing.

This is not an approach that will invariably gain friends and influence people, yet he feels he is on good terms with Franz Josef Strauss: not unreservedly good but good on balance.

He also sees Willy Brandt as a personal friend. So he certainly isn't a conformist.

He has strongly attacked his party, the CDU, in public despite his close and longstanding associate, Labour Minister Norbert Blüm, having been responsible *for the controversial plan to amend* unemployment benefit regulations.

Fehrenbach is convinced the proposed amendment is a blow at the trade unions' very ability to hold a strike, and that, he feels, is taboo.

He started as a junior postman in Passau and came up from the ranks to a senior Post Office rank.

He has been a staunch trade unionist since the age of 20 and still feels strong ties with the grass roots and fancies there are too many eggheads on trade union executive committees.

He was first a works councillor, then vice-chairman of the Regensburg region of the Postal Workers Union.

From 1965 he served as full-time assistant general secretary of the Postal Workers Union in Frankfurt. He and general secretary Ernst Breit moved to Düsseldorf in 1982 as general and assistant general secretary of the DGB,



Gustav Fehrenbach

(Photo: Sven Simon)

where almost all aspects of wages and welfare policy have been his brief.

"I have never gone in for missionary work on the CDU's behalf in the trade union movement," he says. He merely feels duty bound as a trade unionist to bring the unions' case to the CDU.

In the unemployment benefit dispute he feels, for instance, that his party is fundamentally at cross purposes to the interests of working people.

The trade unions' ability to strike is for Fehrenbach "the result of an epoch-making struggle for recognition and human dignity."

Anyone who tries to undermine or upset the right to strike, he says, is attacking the right and dignity of working people.

The senior CDU man in a DGB where Social Democrats predominate, he sees himself less as a trade union campaigner or thinker than as an intermediary.

He is alarmed at tendencies in the union movement toward ideologically-biased unions with the attendant risk of left- and right-wing polarisation.

In the CDU he is worried by the threat of the social committees splitting into too many smaller groups. They could end up being no more than a fig-leaf for the party.

He has no intention of leaving the CDU voluntarily, but if the social committees were to let him down he would, as he well realises, have seen the last of them.

But that seems unlikely after a social committee conference at which he was given a hero's welcome.

Leonhard Spielhofer

(Kölner Stadt-Anzeiger, Cologne, 22 January 1986)

■ TRADE

Barter trade can be big business, not just bargain basement

Counter trade, rather than cash, is becoming more and more common in international trading. Everyone complains about it, but no one can ignore it.

Many complain about this form of trade without actually suffering from it. What is known as counter trade, compensation trading or parallel trade is, for a resourceful businessman, another business opportunity.

Fritz Wälter, executive board chairman of Thyssen-Handelsunion of Düsseldorf grumbled once: "We cannot see this development as being in any way positive or worthwhile."

He talked of counter trade as being an emergency solution, a backward step and an Old Testament practice. But he had something to say in favour of counter trade.

"Our company's structure and organisation offers many opportunities to us in counter trading, and in the future this will be further exploited," he said.

The Wholesale and Export Trade Association and the West German Export Trade Association, doffing their caps to their free trade obligations, regard counter trade as a backward step and would not support it in any way, but they accept that it cannot be avoided.

These statements appeared in a foreword to a brochure they published jointly and entitled "Business in Counter Trade," in which 310 companies outline the services they offer in counter trading.

Companies dealing in this barter trading are listed, as well as the merchandise they handle and the countries they serve.

If a medium-sized West German engineering company is offered dried hibiscus leaves in exchange for a lathe, instead of dollars, by a developing country, the despairing West German executive can find consolation on page 26 of the brochure.

From that page he learns that the firm Völpel KG in Königsmoos, Bavaria, can be of assistance. If the three partners can come to an agreement there is nothing standing in the way of the deal.

The developing country sells the hibiscus leaves to Völpel, is paid for the leaves in cash which is then handed over in payment for the lathe.

If no one knew how to bring off these transactions there would be no talk at all about counter trade.

In the purely legal sense the merchandise is sold twice for cash. The West German exporter has only shown the developing country how it can dispose of its hibiscus leaves. The exporter has made things easier for the importing country to buy the lathe, easing the way for its export.

However complicated counter trading may be and no matter how much it may bring to mind times before money came into use, it is flourishing.

Newsweek recently spoke of a counter trade fever and reported that today 88 countries were involved in this trading practice as against only 15 in 1973.

No-one is quite sure just how much of world trade is accounted for by counter trading. The US Department of Trade estimates that it is between ten and 20 per cent.

Klaus Richter, president of the Wholesale and Export Trade Association, talks of between five and ten per cent. One thing is certain, however: the trend is growing.

DIE ZEIT

There is at present a small break in the growth rate of counter trading because the most favoured money surrogate, crude oil, is discredited.

The oil-producing countries have increasingly turned to crude to pay for their imports.

Günter Sommer of Veba Oil International, Hamburg, says: "There is nothing doing with crude at the present." The market is so confused and chaotic that no-one will take oil in payment, he adds.

The difference between the official Opec oil price and the market price is so great that the gap cannot be bridged by "a support price."

Sommer has raised the key expression in counter trade — support price.

Anyone who helps a West German exporter to close a counter trade deal involving East Bloc or developing country products pays a very much reduced price for the bartered goods.

The exporter makes adjustments for this — he "supports" his trade partner financially.

It goes without saying that the exporter raises his price to cover what he has paid as a support price in the deal.

This works well with oil barter deals so long as the official price and market price are not too far apart — it is impossible to bridge a difference of $10 a barrel.

A classic example of a support price is the natural gas-pipes deal with Russia. It began in 1970 and those involved were the Russian gas exporting organisation, Ruhrgas, Mannesmann and a West German banking consortium.

The deal went like this: Mannesmann supplied the pipes for the gas pipeline to the Russians. The banks loaned the Russians the money to pay Mannesmann for the pipes.

Ruhrgas received gas supplies from Russia and with the proceeds from gas sales made repayments for, and paid interest on the bank credit.

The flaw in the deal was that the interest rates were not at market rates according Western observers. This meant that Mannesmann paid the banks a support price and the pipes were correspondingly dearer.

This natural gas-pipes deal shows that not all counter trade is disadvantageous for the West — and there have now been four gas deals but not all following exactly this model, however.

Politicians describe counter trade enthusiastically as the very model of economic cooperation.

Even banks who by nature think of the free market economy, do not quibble about it.

People did look disapprovingly, though, when Bulgaria paid for steel from Dortmund with attar of roses that was eventually sold to India.

It is not easy to see why support is necessary, why countries with weak currencies should demand inflated prices for goods difficult to sell.

The origins of the natural gas-pipes deal was the Russians' ideological reluctance to pay high interest rates.

But why do East Bloc countries demand prices far higher than they are worth for tinned vegetables to pay for West German machinery?

The simple answer is that in this case two differing sectors of the economy are involved.

The marketing organisation for the tinned vegetables knows that its foreign earnings are urgently needed by the engineering industry. So the engineering industry has to pay for this in the deal.

Support is frequently paid when it is not necessary.

Businessmen who buy East Bloc products because they are good business, like to test out the counter trade worthiness of the products concerned.

Should a West German exporter be looking for a partner in a counter trade deal, he is then on the spot. He is offered the support price which is in essence nothing else but commission.

Kurt Weiss from Salzgitter AG, the steel giant, says that large trading houses sell a lot in the East Bloc and "they have realised that there is a lot more money to be made in this business."

What medium-sized companies achieve in partnership with a firm with experience in counter trading, goes on under one roof in major companies.

Fritz Wälter said: "There are for us, comparatively speaking, no problems in exchanging steel for scrap, pipes for oil, coal for steel or metallurgical products."

He pointed out that another variation in counter trading was to cover part of the financing by going to an investment company with a contract for the manufactured products, "so long as this was in line with our trade policies."

For the past seven years the Thyssen group has operated a commercial intelligence office to make it easier for companies in the group to handle counter trade.

A group company that accepts goods instead of cash can find out if it can sell within the group.

Rolf-Jürgen Hannesen, a man experienced in East Bloc trade, said that counter trade goods were not only resold but could be taken up within his own organisation.

Care is taken to ensure that each company produces its own invoices, however, so that no one company picks up a loss for another.

It is the same at Klöckner & Co. In this case the chemicals trade helps INA, that supplies turnkey plant, by marketing products from chemicals factories INA has delivered.

"But the chemicals trade must make a profit in the operations," says Klöckner spokesman Bernd J. Krüger, "and if things don't turn out too well the trade cannot get by with the excuse it was only trying to do INA a good turn."

The more one talks to people who have been involved in counter trade the more one is drawn to the conclusion that this is a common method of doing business, and those involved in it get a kick from it because it calls for more imagination than is usual in purely monetary transactions.

The East Bloc countries have had considerable experience in counter trade so that business is made easier because they do not ask the impossible.

Kurt Weiss commented: "It is unusual for East Bloc business partners to force on us goods we don't need."

Then why do East Bloc and developing countries not themselves sell their products for cash and then, in line with

Continued on page 7

Privatisers are undecided on Lufthansa

Little is expected this year to become of plans to privatise Lufthansa, the German national airline, say observers in Bonn after coalition talks at the end of February.

Agreement was reached on further privatisation of a number of state holdings in firms wholly or partly owned by the government, but talks on Lufthansa were merely to be continued, it was said.

Finance Minister Stoltenberg and Transport Minister Dollinger seem keen on reducing the state holding in Lufthansa from 75 to 55 per cent, but Bavarian Premier Franz Josef Strauss, a member of the airline's supervisory board, remains strongly opposed to any such idea.

The Bonn coalition agreement is aimed at fleshing out the March 1985 privatisation concept.

In June the Federal government is to sell 40 per cent of the DM580m capital of VIAG, a government-owned conglomerate dealing mainly in energy, aluminium and chemicals.

Also in June, 47 per cent of Prakla-Seismos AG, a company specialising in geological surveys and prospecting, is to be privatised. The firm's paid-up capital totals DM60m.

From September 45 per cent of the DM110m capital of an industrial holding company, Industrieverwaltungsgesellschaft (IVG) is to be privatised.

In all three cases shares are first to be offered for sale to the staff.

The Bundesbahn's shareholding in Deutsche Verkehrskreditbank (DVKB), the bank that runs bureaux de change at railway stations and border crossing points, is to be reduced by about 25 per cent, privatised stock being sold to as wide a range of new shareholders as possible.

Consideration is being given to reducing the railways' shareholding in Schenker & Co., a Bundesbahn road haulage subsidiary.

The Deutsche Pfandbriefanstalt, a government-owned mortgage bank, is also in line for partial privatisation, but the legislation needed to authorise privatisation is unlikely to be passed before the January 1987 general election.

The Finance Ministry expects privatisation to realise about DM800m toward extra expenditure, meeting the extra cost of the European Community, for instance.

Herr Stoltenberg stressed in this connection the extent to which the debts of a number of government-owned firms had been eliminated.

Salzgitter Steel, for example, had improved from a deficit of roughly DM7[illegible] in 1982/83 to a DM50m profit last year.

Saarbergwerke, the Saar Mining Company, which ran up debts of DM207m in 19[illegible], broke even in 1985.

Heinz Mu[illegible]

(Kölner Stadt-Anzeiger, Cologne, 26 February 1986)

■ MANAGEMENT

Hans Gerling is back in full control of Cologne insurance group

When the Gerling Group's press department announced in Cologne on 30 January in a single, convoluted sentence that Hans Gerling had regained majority control of the firm's share capital, Germany's largest family-owned insurance company had already been bought back for a month.

What was surprising about the deal in which the stake held by Friedrich Karl Flick, 59, was bought back by Hans Gerling, 70, was less the fact itself than the speed at which the transaction took place.

So Gerling has regained control of his firm. Together with his previous 49-per-cent stake in the DM140m paid-up capital of the holding company he now owns 89 per cent of the insurance company he runs.

The remaining 11 per cent is held by a dozen medium-sized firms making up another holding company, VHDI.

As they are mainly industrialists and personal friends who stood by him in the bad old days when the Herstatt Bank crashed in 1974, nearly taking the insurance company with it, Gerling feels able to tolerate this minority.

Besides, the Cologne insurance king still has first say if the remaining 11 per cent ever comes on to the market.

For the moment we know no more about the purchase price than we do about how Gerling raised the cash: an estimated DM380m-DM400m.

For tax reasons Herr Flick is likely to have no objection to spreading payments (in his case: receipts) over several years. So Gerling needs neither to raise funds nor to cash in holdings.

DIE WELT

Rumours he might be selling his 54-per-cent share in Frankona reinsurance of Munich have merely sent Frankona's stock exchange quotations skyrocketing.

Frankona have reported such firm trading and sound profits (certainly better than average or than Gerling's own Globale Rück), that selling would have made no sense.

Despite a number of bad years in damage and accident insurance, especially third-party insurance in the United States, Gerling had his coffers amply lined for B-Day (B for buyback), including proceeds from the liquidation of Herstatt.

It would be utterly unlike Gerling to take a partner from the insurance trade into the business — and less like him still to throw in his lot with anyone else!

Why ever should he? The Gerling Group, dating back to an insurance office his father opened in 1904, now consists of 11 *Aktiengesellschaften*, or public limited companies.

Their combined premium earnings in property damage (non-life) insurance, third party, motor, legal, life and reinsurance are likely to have totalled roughly DM5.6bn last year.

Add foreign and overseas business and you will probably arrive at world premium earnings of DM6.5bn to DM6.8bn a year, and that doesn't include Hans Gerling's private, i.e. non-group, personal business activities.

Unlike Flick, Gerling did more than inherit his money. He earned more. He has been responsible for product, marketing and pricing innovations in commercial insurance.

They have been innovations that have more than once fuelled the fires of competition, much to the chagrin of other insurers.

In recent years Gerling has systematically set about attracting private business.

He has never been interested in real partners. He is not a man capable of tolerating others as his equal, as his own brothers found out to their cost.

Robert and Walter Gerling were bundled out of the controlling management in 1969 and 1965 respectively and paid off.

Hans Gerling then retained sole control of what was already a large and wide-ranging group.

Even at the height of the Herstatt crash he never entirely surrendered control. As deputy chairman of the supervisory board he was omnipresent in the running of Gerling Group companies and by 1978, partly in response to a request by Gerling executives, he resumed control as board chairman of the holding company.

That was bound to create the impression that he was indispensable.

By this time he had strongly — and successfully — opposed a partial takeover bid by the Swiss Zürich insurance group. He was less successful in opposing the purchase of the Zürich shareholding by Flick.

He went to court on this issue but lost. Flick retained a majority in the VHDI shareholding in Gerling equity.

Gerling remained intimately associated with the running of his company. His contract was later renewed by Flick himself for a three-year term ending in mid-1987.

But he dislikes publicity. Next to no-one ever sees Hans Gerling. He is reserved, not to say misanthropic, and this personal trait was intensified when, in 1974, banker Iwan D. Herstatt and his staff lost billions in foreign exchange speculation, much to Gerling's chagrin.

As majority shareholder and supervisory board chairman of the Herstatt Bank Gerling might arguably have felt obliged to admit that he too had been partly to blame, if only for placing too much trust in Herstatt, but owning up to personal mistakes has never been a strong point of his.



Hans Gerling
(Photo: Poly-Press)

Never — neither legally nor morally — has Gerling admitted to the slightest blame or responsibility for the bank's closure.

Under public pressure he grumblingly, hesitantly paid the bank's creditors. This hesitation proved well worth while. Creditors overwhelmingly agreed to the composition terms offered, ruling out the unforeseeable risks of litigation.

He spent DM210m from the proceeds of half his insurance empire on meeting thousands of bank creditors' demands. Settlement is still in progress. Gerling has never yet appeared in court.

He has a strictly limited number of real personal friends, arguably because of an elite streak in his personality. Gerling is an economics graduate who would have liked to become an architect.

Views may differ on the looks of the cold, sterile, monumental head office buildings in Cologne, but after years in the doldrums Hans Gerling at 70 cannot be denied to have rebuilt and expanded his entrepreneurial activities.

What, then, about the succession? His son Rolf Gerling, 31, and three daughters are not the sole heirs but Rolf, like his father before him, is being groomed young to take over the management.

Again like his father, Gerling jr. stays out of the limelight. He lives in Zollikon, Switzerland, where he is on the board of the insurance firms his father privately owns and on the board of the Globale reinsurance group in Zug, Switzerland.

He is also on the supervisory board of the holding company, Gerling Konzern-Holding (GKB), of which his father has lately resumed control.

Harald Posny

(Die Welt, Bonn, 17 February 1986)

Continued from page 6

the idea that the customer is king on international markets, purchase what they need?

The answer is simple: they can't.

Erika Janzon from the West German Wholesale and Export Association is convinced that the reason is "not the lack of hard currencies but the organisational rigidity of East Bloc economic systems that do not know anything about marketing." This has provided the impetus for counter trading.

Kurt Weiss says the same thing. In the East Bloc the seller is king. His goods are snatched up instantly. A mentality has developed that doesn't see the need for doing business with the West.

There is widespread acceptance in the West now that if a sale is to be made then the seller must in return do something about marketing the products of his partner in the deal.

Counter trade is usual in arms deals. When Thyssen delivered four submarines to Norway the counter trade made many Norwegian products marketable that Norway, until then, had not been able to export.

The West can capitalise on the incompetence and laziness of many countries.

Export business that actually passes through Moscow, Sofia, Djakarta or Cairo, is transferred to Hamburg, Düsseldorf or Frankfurt.

Money is to be made by taking over this business, presupposing that the business is understood, of course.

Heinz-Günter Kemmer

(Die Zeit, Hamburg, 21 February 1986)

■ WORK

Jobless show signs of political unrest at Bad Boll

STUTTGARTER ZEITUNG

A video film produced by a Hamburg-based self-help group for the unemployed caused a stir at the sixth meeting of action groups for the unemployed at the Protestant Church Academy in Bad Boll.

It showed how a group of unemployed people in Hamburg forcibly obtained free admission to a theatre, a swimming baths and a zoo and free travel on the city's suburban railway last autumn.

The protest, which set out to demonstrate the extent to which the jobless are cut off from cultural and other activities for lack of money, was said to have met with widespread local approval.

Other alternative ways of increasing public awareness of the problems facing the unemployed discussed during the meeting were not so "violent".

There was talk of introducing a special unemployment card entitling its holders to certain benefits, but the 120 Baden-Württemberg groups represented in no way supported illegal action.

The first groups were set up in 1978. The Protestant Academy placed its rooms at their disposal right from the start and Klaus Fütterer gradually assumed the role of an honest broker and *understanding mediator.*

To begin with, information, advice and public relations activities were of key importance. Today, the emphasis is on finding and creating jobs.

A growing number of groups have secured the financial backing of the various church groups or trade unions.

Where the churches have focused on the material as well as the mental and spiritual problems of the unemployed right from the very start, the unions initially saw themselves as representatives of the employed.

The Düsseldorf-based DGB, or German Trade Union Confederation, now seeks contact with groups.

For most of the unemployed who come to Bad Boll the meetings provide an opportunity to exchange ideas and find out what other groups are doing.

Developments are still in a state of flux and the approaches groups adopt vary from one region to the next.

Some projects have already proved unsuccessful, whereas others, for example in Freudenstadt, could provide an example worth emulating.

The Freudenstadt group managed to set up a circle of 120 friends and donors and furnish the apartments of asylum applicants with furniture donated free of charge.

This project created six jobs, which may not seem a great deal but is due reward for inventive self-help.

A Hesse group set up a firm under self-management called *blätterwald EG,* creating about 80 jobs.

During the meeting in Bad Boll the firm's founders claimed it was doing well.

The money *blätterwald* workers earn is paid according to their need and not according to their ability, an approach which turns generally accepted economic principles upside down.

Albert Krohn, one of the initiators of this cooperative, called upon other groups to follow suit and create jobs rather than just demand them.

So far, efforts by the unemployed have not been very successful. Many feel they have been "written off" by those who (still) have a job.

As Hansjörg Böhringer pointed out, 3,000 unemployed people drew social security in Stuttgart today as opposed to four 10 years ago, characterising what has happened during the last decade.

In view of this feeling of helplessness the discussion during the latest meeting of Baden-Württemberg groups centred on the question of whether an amalgamation of these groups might not open up the possibility of exerting political influence.

An attempt to reach agreement with political parties was unsuccessful.

Many groups now feel they should join forces to create a political force to be reckoned with.

The model suggested was to split the *Land* of Baden-Württemberg into six regions, which would then be represented in an umbrella organisation.

This organisation should provide a united representation externally, carry out public relations and advisory work, and try to obtain financial support.

The activities of the senior members of this organisation should be on a professional rather than honorary basis.

The underlying idea is that this umbrella organisation could function as a mouthpiece for the unemployed during the forthcoming general election campaign as well as exert political pressure.

This proposal (made by the Heidelberg group) was discussed by five working parties. The merger idea was then accepted by a large majority, and a delegates' conference planned to take place in Ulm in April.

Discussions with representatives of the political parties and the Protestant and Catholic churches also showed that there was general approval for the idea.

Franz Baum, a CDU member of the Baden-Württemberg state parliament, was the only speaker at the meeting to disapprove.

The churches, which provide financial support for the initiatives, explicitly stressed their solidarity with the unemployed.

Prelate Ebert from the governing body of the church in Rottenburg pointed towards the risk of society being split into two classes: those who have a job and those who don't.

One result of unemployment is the growing number of suicides and marital problems.

A quarter of the people who ring up the Samaritans are unemployed.

Thomas Bittner from the DGB claimed that the political parties do not take unemployment seriously. A more aggressive approch to be problem is therefore needed, he said.

Kurt Widmaier from the *Land* Labour Office gave a gloomy prediction of rising unemployment and urged the groups to cooperate more closely with the unions.

In this context, the idea was voiced of even forming a union for the unemployed.

However, if the Baden-Württemberg groups do in fact join together *in April* to form an umbrella *organisation* it is doubtful whether this will in fact increase their political clout.

For various reasons, most unemployed persons show little interest in the groups formed on their behalf.

In an invitation brochure to the Bad Boll meeting the organisers stated that there were 200,000 persons and perhaps 100,000 unregistered unemployed persons in Baden-Württemberg.

Sixty thousand of them had been out of work for over a year, 20,000 for over two years.

Very few belong to any group, which reduces their political significance. Admittedly, optimists feel a few are better than none.

Erich Peter

(Stuttgarter Zeitung, 21 February 1986)

Unemployment in Europe
1985 percentages*
1986 trend:
(+) Increase
(−) Decline
Ireland 16,5 (+)
Britain 11,8 (−)
Holland 14,5 (−)
Denmark 8,2 (−)
Sweden 2,8 (+)
9,0 (−)
Belgium 13,3 (+)
France 10,5 (+)
Fed. Rep. Germany
Austria 4,3 (+)
Switzerland 0,8 (−)
Portugal 11,0 (+)
Spain 22,3 (+)
Italy 10,3 (+)
Greece 8,3 (+)
*Jobless as estimated percentage of labour force
© Globus

Unemployment: counting the cost

The man was a skilled shipyard worker for thirty years before a machine was installed which could do his job faster and more efficiently.

He was moved to another job, a job which an apprentice could have done with absolutely no training.

His wife almost had a nervous breakdown after he started literally breaking up the happy home and "talking rubbish."

This is just one of many cases outlined by sociologists and psychologists in *Individuelle und gesellschaftliche Kosten der Massenarbeitslosigkeit* (Individual and Social Costs of Mass Unemployment).*

The anthology contains the revised versions of papers read during a conference on the psychological implications of unemployment held at the University of Bremen in October 1984.

The man described in the afore-mentioned case wasn't even unemployed.

His case, however, shows how much an individual's sense of personal value depends on his job.

This in turn explains why people who are unemployed suffer so much from this forcible inactivity.

Problems start before actual unemployment, for example in firms which have gone bankrupt.

The fear of losing their jobs results in a higher incidence of ill-health among workers during this period.

In fact, the health risk is even greater before the firm goes bust than after someone has actually been made redundant.

The most frequent consequences of unemployment are: heart attacks, psychological problems and suicide, and refuge in all kinds of addictions, above all alcohol, and the neglect of one's own health.

Those who suffer from more than one of these problems are the worst off.

They are the most likely to lose their jobs and the least likely to find a new job even after successful treatment.

For this reason, the rehabilitation of sufferers in this group is particularly difficult.

How can an alcoholic be motivated to stay dry if he doesn't stand a chance of leading a "normal" life by usual standards, one of the book's 46 authors asks.

Unemployment initially comes as a shock. Once the shock has been overcome a new mood of optimism emerges.

Yet the longer unemployment lasts, the less balanced the person's psychological stability in the face of financial problems, the lack of self-esteem and the worsening prospects of finding a job.

This development culminates in deep pessimism and fatalism. The unemployed person tries to come to terms with the situation and becomes lethargic.

This lethargy is a kind of psychological adjustment to the state of permanent unemployment.

An American case example cited in the book underlines how drastic the ensuing personality change can be.

An executive and successful executive had become totally apathetic after only a short period of unemployment and made no effort at all to find a new job.

His wife advised him to undergo a job suitability test in the hope that this might restore his feeling of self-esteem.

Test findings showed him to be unsociable and unable to assume responsibility, recommending that a routine job would best suit his personality.

Furthermore, the test agency said he should work at a conveyor belt.

The test revealed nothing other than

Continued on page 9

* *Individuelle und gesellschaftliche Kosten der Arbeitslosigkeit — Psychologische Theorie und Praxis (Individual and Social Cost of Unemployment — Psychological Theory and Practice),* Beltz-Verlag, Weinheim/Basle 1985.

Continued from page 8

the symptoms of a psychological depression and of the fatalism of the former dynamic manager's adaptation to his new situation.

The demands made of persons out of work run contrary to those made of those at work.

Persons earning a living are expected to be loyal to their employer, whereas unemployed persons are expected to be willing to say goodbye to their colleagues, friends and neighbours and leave their house and home to find a job elsewhere.

Those who have work are expected to be willing to work harder if there's a lot of work to do.

The jobless, on the other hand, are forced to become lazy; working "on the side" is not allowed.

An employee has to adapt to his job situation, whereas an unemployed person should not adapt (resign) to a jobless situation.

The "professional" helpers and experts — psycholgists, psychiatrists and social workers — also find it difficult to discover a way out of this tricky predicament.

The most simple and obvious solution, to eliminate the consequences of unemployment via employment, is impossible.

Unemployment is not an illness, and if it is treated as such the person affected becomes a passive "patient."

If, on the other hand, unemployment is regarded as "normal," there is no longer social pressure to fight it.

Motivating the unemployed to do something about their situation runs the risk of desperation if these efforts are unsuccessful.

Many jobless [illegible] the problems they feel they should have, withdrawing from their normal circle of friends and blaming themselves for their situation.

There is no such thing as "the" unemployed. Each individual reacts differently.

Even though there are considerable differences of opinion in the anthology, there is agreement on two aspects:

Unemployed persons must appreciate that their sense of personal value and their right to exist do not depend on whether they have a job or not.

What is more, self-help groups aimed at helping the jobless to lead an independent life despite unemployment, can prevent lethargy and apathy from setting in.

A fatalistic approach is not the answer.

(Bremer Nachrichten, 22 February 1986)

■ TRANSPORT

Volkswagen gives go-ahead for Seat takeover

Volkswagen's supervisory board has agreed in Wolfsburg to take over a majority shareholding in the Spanish carmaker Seat. It endorsed the executive board's proposal to take over 51 per cent of Seat's paid-up capital, increased to the equivalent of DM1.3bn. Volkswagen will be taking over a further 24 per cent of Seat stock later this year and buying the remaining 25 per cent by the end of 1990.

DIE WELT

The German-Spanish deal dates back several years to talks on the cooperation agreement that took effect at the beginning of 1983.

But the two sides didn't get down to serious business until autumn 1984, which only goes to show what difficulty they had in arriving at a mutually satisfactory solution.

What that means for Spain is, first and foremost, the retention of as many jobs as possible. Yet Seat's payroll was the reason why the company plunged ever deeper into the red.

The state industrial holding company INI, Instituto Nacional de Industria, which had the final say at Seat, was most reluctant to thin out the labour force.

That was one reason why Fiat, who were allied with Seat for many years, quit overnight one day in 1981, as an INI spokesman put it.

In the quest for a new partner the Spaniards eventually hit on Volkswagen. From the outset both sides realised that the seven-year cooperation agreement could only be a first step.

A closer relationship was the objective, and that presupposed capital links. INI president Luis Carlos Croissier had no illusions about Seat's survival prospects.

With an annual output of half a million cars, he said a year ago, Seat could no longer hold its own technically in Europe today.

Given conditions at some Seat works this assessment has never been disputed by Volkswagen.

The only works that satisfies VW requirements is Landaben, near Pamplona. Taken over from Leyland, Landaben is where the Polo, the VW compact, is made in Spain.

Serious misgivings must be voiced about the main works in the free port of Barcelona, it is reported in Wolfsburg.

Conditions are worse still at the Martorell engine and component works and the works in Prat de Llobregat, Catalonia.

Volkswagen have invested time, manpower and money in Spain and largely dealt with technical problems. Finance was a much more serious problem and the reason why negotiations took so long.

Only at the end of last year did the Spanish authorities agree to write off Seat's accumulated debts totalling the equivalent of DM3bn.

Seat had already agreed to a redundancy scheme reducing manpower from 32,500 in the late 1970s to 23,500 now. By VW standards this payroll is still too high and at least a further 4,000 are to go by 1990, with Spain again footing the bill.

Volkswagen have clearly prevailed in other financial respects, as the capital increase shows. Seat's capital has been increased by DM900m to DM1.3bn, or 80 billion pesetas.

Last but not least it was a matter of who was to pay for the company's 1985 losses. Here too, INI has had to bear the brunt.

Even so, Seat will still cost Volkswagen a packet. The 51-per-cent stake will cost about DM650m and INI is said to have given assurances that VW will be able to buy the remaining 49 per cent.

But that is only a fraction of the investment. Volkswagen plan either to modernise the Barcelona works or to build a completely new production facility at Martorell.

These projects will cost an estimated DM6.9bn and DM8.1bn, of which Volkswagen would have to pay about one third.

Yet Volkswagen are confident the expense is justified. The Polo, Derby and Passat, all made in Spain, are doing well. The initial production target of 90,000 vehicles was reached a year early, in 1985.

In Spain, where Volkswagen virtually didn't exist as recently as in 1982, roughly 45,000 VWs and Audis were sold last year by Seat dealers. That amounts to a market share of over eight per cent.

VW chief executive Carl H. Hahn sees the Seat commitment as a long-term strategy. He is interested less in the Spanish market than in strengthening Volkswagen's position throughout Europe in the compact category.

In this sector Volkswagen, with the Polo, are totally underrepresented. Alongside Seat, who after the takeover are to continue in business as an independent division like Audi, a change for the better ought to be easier, Herr Hahn feels.

So there are no plans to let Seat's own models simply expire.

He is equally emphatic in denying plans to transfer Polo manufacture from Wolfsburg to Spain to boost Golf (Rabbit) capacity in Germany.

There are clear agreements with the Wolfsburg works council on this point, Herr Hahn says. Besides, the Polos made in Germany are required for the German market.

Dominik Schmidt

(Die Welt, Bonn, 21 February 1986)

Dollar dealing by Lufthansa backfires badly

Lufthansa's supervisory board will in April be discussing last year's DM1bn foreign exchange deal that backfired on the airline, making headline news the management must surely wish had never seen the light of day.

In February 1985 Lufthansa bought about DM1bn worth of forward dollars at an exchange rate of DM3.20. At the time of this transaction the US dollar was selling at DM3.29.

Forward dealing is frequently practised by firms that do international business to make their export-import transactions calculable.

As a rule nothing more is heard of the matter, especially when it works. But woe betide the firm for which, as here, it doesn't.

Lufthansa were expecting the dollar exchange rate to continue to soar. It did, to DM3.50, before plummeting to its present DM2.20.

So the airline is having to pay [illegible] market rate is a mark lower. Lufthansa stand to lose about DM300m.

In Cologne the Lufthansa management are treating the issue extremely gingerly. Executive board chairman Heinz Ruhnau has been instructed by supervisory board chairman Gerd Lausen, chief executive of Schleswig-Holstein Landesbank, to say nothing in public before April.

Politicians are tightlipped too, even though there are bound to be Christian Democrats who would sooner see Herr Ruhnau, a Social Democrat, replaced at the helm of one of the most prestigious German companies, especially as it is an extremely well-paid job and Lufthansa is 75-per-cent owned by the Bonn government.

Herr Ruhnau, a shrewd, 57-year-old Hamburg man, had very little difficulty in sitting out the ire of many at Lufthansa who were disgusted when he took over from Herbert Cullmann as chief executive in 1982.

Herr Ruhnau had been parliamentary under-secretary at the Ministry of Transport under SPD Chancellor Schmidt, Herr Cullmann, a career Lufthansa man, was sacked in connection with a fairly harmless affair. It wasn't a very glorious changing of the guard.

Yet even critics have to admit that Herr Ruhnau has done his job well, al[illegible] economic recovery and fresh records in international civil aviation.

He is clearly on good terms with Franz Josef Strauss, who is a keen supporter of the Airbus on Lufthansa's supervisory board; the Bavarian Premier is supervisory board chairman of Airbus Industrie.

Comments by Transport Minister Werner Dollinger, who ordered Herr Lausen and Herr Ruhnau to report to him in Bad Wörishofen on the foreign exchange flop, would not seem to suggest dramatic manpower changes are imminent.

As far as can be seen, only Dionys Jobst, deputy CSU leader in the Bundestag, has attacked the Lufthansa management for "scandalous" and, oddly enough, "impermissible speculation."

Herr Ruhnau's contract as chief executive expires at the end of March next year. The supervisory board are reported not to plan discussing its renewal in April.

The issue is not to be raised until summer, by which more should be known about the cost and the blame for the unfortunate foreign exchange deal.

Lufthansa's financial director may find his job going too when his contract expires in July 1987. He will be 62 and the mistake was, after all, made in his department.

Why, one wonders, did Lufthansa not take out cover for the eventuality of a decline in the dollar exchange rate? The airline appears to have been offered an option covering the dollar exchange rate between DM2.03 and DM2.70.

In return for an option fee it could be sure of not having to pay more than DM2.70 per dollar.

In principle it could achieve the same result in transactions with Airbus Industrie, its second major aircraft supplier.

Lufthansa and Airbus are said to have agreed to share the risk if the dollar exchange rate goes above DM2.85 or falls below DM2.15.

If experts arrive at the conclusion that Lufthansa made a serious error of management judgement, then the chief executive will surely have to bear responsibility.

If the foreign exchange deal had not backfired the person responsible for it would have saved Lufthansa a packet and might have earned praise. But many a manager has come a cropper because luck has not been on his side.

Volker Wörl

(Süddeutsche Zeitung, Munich, 26 February 1986)

■ ENVIRONMENT

Telltale ring cycle shows how tree growth was stunted in Basle and Hamburg

Unless you know something about trees you are unlikely to notice they are dying in your local woods or forests. But you can hardly fail to notice the rot among roadside trees in cities and towns.

Roadside trees are dying ever faster, and the reason, as we all now know, is too much salt spread on snow- and ice-covered roads in winter.

Yet salt is only one of many factors, important though it may be, that kill roadside trees.

A study of the vitality of roadside trees in Basle and Hamburg shows them to have suffered from stress at regular intervals since the early years of this century.

Their annual rings were the guide, using methods devised by Dr Schweingruber at the Swiss Forest Research Establishment in Zürich.

Rings recorded for the trees in question are compared with annual rings of other trees in the same area. Figures are available back to the Stone Age.

The city is not simply a hostile urban environment for trees. Mean urban temperatures are higher than rural temperatures, so city trees have an initial advantage.

But this advantage has been offset by the disadvantages of pollution, heavy traffic and constant construction.

In Hamburg the tale told by roadside trees has been investigated by Frau Peters of the university department of wood biology.

Several hundred trees were "ironed" using a special drill to extract a core comprising a full set of rings.

Tree growth was consistently found to have been impeded on main roads at the turn of the century, which was when these roads were first metalled and the trees' water supply deteriorated.

The trees recovered in the decades that followed, only to show fresh signs of city-centre damage and growth impediment in the 1940s — clearly the result of wartime air raids and carpet bombing.

The next halt to growth occurred in the 1950s, an era of burgeoning construction and industrialisation.

But all these periods have been surpassed by the depression that has beset tree growth in Hamburg since the mid-1960s. In some years it has been so bad there has been no growth at all — and no ring.

Salt is to blame, and the 100-year-old horse chestnut trees on Theodor-Heuss-Platz, opposite Dammtor station, are a particularly striking example.

There are two rows of trees, one right next to the road, the other four metres (13ft) away from the road.

The trees right next to the road have grown to an average height of only 17 metres in a century, as against 20 metres for the trees set back from the road.

They vary in trunk diameter from 45cm for the one row to 65cm for the other.

The roadside row underwent a period of stunted growth between 1900 and 1920 that in no way affected the row four metres back.

That corresponds to the period when roads were built and paved and open ground was increasingly covered.

In this city-centre street the "salt rot" sets in from 1953. In the front row rings thin out to 0.18mm a year, whereas the back row averages up to two millimetres until 1980.

These healthier trees back on to a park where salt has never been spread. They would have been much less healthy if they had stood on pavements outside houses or garage entrances where people have tended to spread salt even more vigorously than the local authorities.

Tree ring analysis in Hamburg also shows that "heat stress," which used to be rated a problem for city trees, is not a growth-impeding factor.

Even in years that were very dry the rings are none the worse for wear.

Hamburg has acted on the findings of this survey in several respects. The unpaved area around trees has been widened. Ventilation is provided. Salty soil is replaced.

The spreading of salt in winter has been drastically reduced. It came to a head in 1978/79, a harsh winter in which nearly 40,000 tonnes were spread.

The following year's tonnage was down to 17,400. By 1983/84 salt was limited to about 4,000 tonnes. But the debate continues.

Not all varieties of trees have been equally affected. The horse chestnut, the linden, the maple and the red oak are particularly sensitive.

The European oak is largely salt-resistant. The same is true of the Robinia, a tree lately much in favour.

In Basle similar work has been carried out by Katrin Joos of the university department of botany. The Basle findings establish an even clearer link between tree vitality and harmful factors.

In Basle the year in which roads began to be paved and pavements to be asphalted on Bernouilliring, near the university, is precisely the year in which roadside horse chestnuts began to show signs of stunted growth.

Rings of trees on other Basle roads even enable the experienced botanist to say when (once every four years) trees were cropped.

Horse chestnuts on Claragraben in the city centre are found to have responded to salting by stunting growth from 2-3mm to 0.3mm per year.

In Basle salt began to be spread on main roads in the 1960s, increasing with the volume of traffic in the 1970s. Tree rings testify to all these factors.

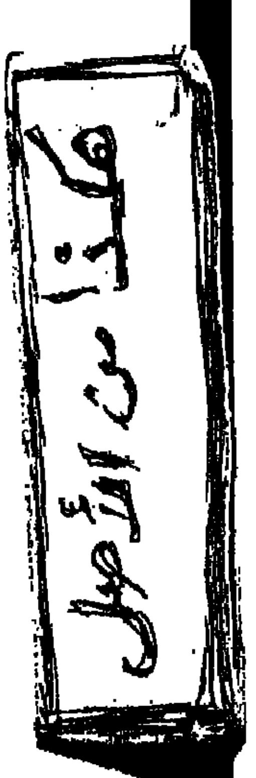
Under the microscope city trees are often found to suffer from fungal or bacteria infection.

The explanation would seem to be that city trees are more likely to be damaged by, say, cars.

This damage gives the fungus an opportunity to set in that seldom arises in woods and forests.

Harald Steinert

(Frankfurter Allgemeine Zeitung für Deutschland, 17 February 1986)



Move 'em, don't fell 'em, says tree expert

General-Anzeiger

Don't fell trees, transplant them has been the slogan of DGG, a group specialising in transplantation of fully-grown trees, for 10 years. You can carry out construction work and still give trees a chance, says Hans-Helmut Pein.

Herr Pein, 42, is in charge of the DGG agency in Uetersen, near Hamburg. Trees up to a century old, with trunks one to two metres in diameter and weighing up to 30 tonnes, can be transplanted.

His company has developed special machinery and techniques that are claimed to guarantee a 95-per-cent success rate.

Even in midsummer and full leaf trees can be shifted from one location to another.

They are, he says, living filters that purify the air we breathe. A fully-grown tree meets the oxygen requirements of 64 people.

The surface of its leaves traps dust and soot. Trees provide shade, regulate the temperature and absorb noise.

Eight different machines are kept in stock at the group's Nuremberg head office to dig a circular trench wide enough to uproot large trees.

The 12 member-firms coordinate activities to make best use of the expensive machinery. It is put to work both in Germany and abroad. At the time of writing two special vehicles were in use in Paris and Grenoble.

The largest excavator can be used to transplant trees with trunks up to 1.50 metres in diameter. The root bale is about 4.5 cubic metres in volume.

Difficulties can occur with trees that haven't been prepared for transplantation, it seems, while trees with flat roots such as birch, beech and alder don't transplant well.

Linden, maple and plane trees transplant more readily, as the tall plane trees along Gorch-Fock-Wall and Sievekingsallee in Hamburg prove.

They were transplanted to their present location six or seven years ago and are flourishing. The new location must be similar to, or preferably even better than, where the tree stood beforehand, Herr Pein says.

A roadside tree transplanted in a park will as a rule respond by luxuriant growth.

Yet transplantation, complicated and expensive, doesn't work unless suitable after-care is provided. Safe anchorage, for instance, ensures that fine new roots are not severed.

Jute bandages tied round the trunk or larger branches prevent too much evaporation when trees are subjected to intensive sunlight.

Last not least, transplanted trees must be trimmed to ensure survival. The aim is to strike a balance between roots and treetop.

Last year Herr Pein's firm had a 99-per-cent success rate with the trees it transplanted. The largest was a linden tree with a trunk 80cm in diameter that now stands in a Hamburg street.

dpa

(General-Anzeiger, Bonn, 15 February 1986)

■ MEDICINE

Hanover neurologist probes medical damages claims

Süddeutsche Zeitung

Cases of patients crocked for life as a result of medical bungling are regularly reported, yet the causes of medical misjudgement have not been systematically analysed.

The findings of studies by the neurological clinic and department of neurophysiology at Hanover medical college published by the *Deutsches Ärzteblatt* indicate that research is urgently needed.

Cases investigated were those of patients wrongly treated and of ill-health suffered as a result of a fairly limited number of often fairly straightforward treatments.

They were often felt to be a sign of inadequate medical training and insufficient knowledge.

Neurologist Hermann Müller-Vahl looked into 3,346 cases of damages claimed between 1976 and 1985. Patients mostly suffered permanent handicaps, frequently painful.

A closer look was taken only at neurological damage, but nerve trouble accounted for one case in four.

In 476 cases damage was the direct result of medical treatment; in 9 out of 10 cases (420), peripheral and brain nerves were affected.

Fifty-nine per cent of these 420 patients suffered nerve damage during surgery. In 21 per cent of cases an injection or puncture had serious health consequences.

Bandages and tourniquets unsatisfactorily applied to arms or legs led to paralysis in 13 per cent of cases. This, Müller-Vahl felt, was a small percentage when one considered how many patients were bandaged daily.

Two per cent of cases were due to drugs prescribed, one per cent to radiation. But as the effects of radiation need not be apparent for years, he feels this percentage is probably too low.

The standards applied in radiation therapy today did not apply eight years ago, say.

Surgery is to blame for incapacitation and or lasting damage in nearly six cases out of 10, and the dangerous operations can be clearly pinpointed.

Damage is most frequently done by a relatively harmless operation to take a sample of tissue from the lymphatic gland at the side of the neck for purposes of diagnosis.

No fewer than 33 patients suffered nerve damage as a result of this operation. Their shoulders and arms were paralysed and they suffered from pain. Damage to this particular nerve is a serious risk in neck surgery of this kind.

The *nervus accessorius*, to give it its Latin name, is a surface nerve. There have been instances of it being paralysed as a result of insect stings.

The main reason why it is damaged in the context under investigation is, to quote surgeons Rudolf Pichlmayr and Bernd Grotelüschen, ignorance of the risk.

Of the 55 patients treated in the Hanover neurological clinic for paralysis of this nerve between 1977 and 1985, 53 had been paralysed as a result of surgery.

Nerve damage is almost as frequent in artificial hip surgery, 30 cases having come to light in the survey. Even in special clinics half the patients who underwent major hip surgery were found to suffer nerve damage, albeit mostly minor damage that gradually improved.

Stretching tissue to insert the artificial hip is a serious problem during this operation. There is always a risk of affecting major nerves, but the more careful the surgeon is, the less serious it will be.

Next in order of statistical importance come thyroid operations followed by paralysis of the vocal chords and nerve failure after hand surgery and operations for sprain, fractures and slipped discs.

Major jaw surgery is also problematic. The senses were found to have been affected after jaw operations in 7 cases out of 10.

For this reason doctors have for some years been more careful about deciding to go ahead with jaw surgery.

In most operations of the kinds mentioned nerve damage cannot be entirely ruled out. But the frequency with which it occurs in some cases would seem to indicate a shortfall in knowledge, neurologists feel. Some surgeons who take samples of lymphatic tissue from a patient's neck are clearly insufficiently aware of where the nerves are.

A standard manual of ear, nose and throat medicine makes no mention of the risk of damaging the *nervus accessorius*.

Many risks could be reduced if the surgeon were first to lay the nerves bare. He could then see them. In hand surgery, for instance, blood must be kept to a minimum, otherwise the surgeon may sever a skein of nerves without noticing it.

This mistake goes unnoticed and thus cannot be rectified. It leaves the patient seriously handicapped. In some cases a finger may even have to be amputated.

Serious shortcomings in medical training are said to be to blame for nerve damage caused by intramuscular injections, which accounts for five per cent of cases in which patients sued for damages.

Müller-Vahl says the mere fact that one damages case in 20 involves complications after intramuscular injections speaks for itself, especially as injections are fairly harmless and technically straightforward.

Nearly all serious injection damage in the lumbar region can be avoided. Resulting paralysis is often wrongly diagnosed when patients have trouble in walking; it is usually difficult to treat.

Intramuscular injections damage both nerves and muscle and fatty tissue. Müller-Vahl notes cases in which tissue was destroyed in much of the lumbar region as a result of a misjudged injection.

Knotty tissue can also result, gradually increasing in size and growing painful, with the result that they are suspected of being malignant tumours.

Injections that are bungled are one point; intramuscular injections of pointless drugs is another, and can lead to further complications. Anti-rheumatic and antibiotic jabs are said to be problematic.

In more than 80 per cent of cases anti-rheumatic drugs are involved. Müller-Vahl feels doctors must think twice before injecting substances that can damage body tissue.

In some cases patients would do better to take them in tablet form. Side-effects of anti-rheumatic drugs on, say, the stomach and intestines are largely systematic and not just a local phenomenon. Yet they are still administered by means of injections.

Heidrun Graupner

(Süddeutsche Zeitung, Munich, 20 February 1986)

Mental care for foreigners is inadequate — psychologist

A growing number of foreign nationals who live in the Federal Republic are suffering from mental upset. Advice and treatment facilities are urgently needed, says a Greek psychologist in Göttingen.

There are roughly 5,000 new cases a year of foreigners being committed to psychiatric clinics in the Federal Republic, says psychologist and human biologist Konstantinos Lazaridis.

German psychiatrists shrug their shoulders and dismiss the problem by referring to the mamma mia syndrome [illegible] he says.

The only communication between doctor and patient is the prescription of drugs that affect the mind, such as tranquillisers and pep pills.

German doctors regularly end the briefest of consultations by telling foreign patients they can't help them and they would be best advised to find a fellow-countryman who understands them.

People from Mediterranean countries such as Turkey, Yugoslavia, Italy, Spain and Greece are subject to particular pressure and suffer from a wide range of problems.

Mental upset is caused by language and culture barriers, by the clash between traditional patterns of thought and the performance-geared German way of life, deep-seated fear of the authorities and fear of losing one's job due to illness.

Mental illness is even more of a taboo in Mediterranean countries than in Germany, so people have even greater misgivings about consulting an analyst.

Immigration regulations specify that foreigners can be deported instantly if they are found to be in poor mental health, so many foreign workers tend to cover up their trouble for as long as they can.

Alcohol is a popular way out, but if they are to be helped effectively, specialists from their own countries must be hired and German doctors at least roughly briefed on the problems involved, Lazaridis says.

Between 1975 and 1982 psychiatric clinics in Lower Saxony treated 1,462 foreign nationals, from 61 countries. Nearly 25 per cent were committed (the corresponding figure for German patients is 10 per cent).

This comes as no surprise to the Göttingen specialist. Mental trouble among foreigners erupts explosively, he says, because a head of steam has built up and no help has been available in the early stages of mental illness.

Foreigners are often committed to a psychiatric clinic after their second or third suicide bid.

dpa

(Mannheimer Morgen, 19 February 1986)

■ THE LAW

White Circle cuts red tape to help crime victims

The White Circle was set up in 1976 to provide compensation to victims of crime.

Since going into full operation it has given assistance to 23,000 people who would otherwise have been left to their own devices.

There was, for example, a 53-year-old woman who could not work as a result of a traffic accident. A court awarded her DM75,000 in damages.

But her lawyer embezzled the money



Eduard Zimmermann (Photo: ZDF)

and her efforts to retrieve the cash were of no avail.

She was given a bridging loan by the state pension fund which she now has to repay from her disability pension.

The woman, her daughter and husband have to live off her husband's monthly pension of DM1,000.

A young woman who had a job as a trainee was raped and savagely beaten with a hammer by her former boyfriend in front of her four-year-old brother.

As a result of this attack she lost the sight in one eye and over a long time in hospital she underwent one operation after another.

She lost her job. Her working mother had to give up her full-time job and take on part-time work to look after her daughter. This meant a loss in family earnings.

Further expenses were incurred for the young brother who was seriously affected psychologically by the rape experience and had to have special care in a kindergarten.

The rapist, who was sentenced to nine years imprisonment, would not have been able to pay damages for a long time.

The White Circle offered assistance to the victims in both these cases.

Voluntary workers from the organisation looked after the rape victim, arranged for a vacation and paid the family DM10,000 to tide them over.

A year had elapsed since they applied for aid under the Crime Victims Compensation Act and nothing tangible had yet happened.

In the case of the woman swindled by her lawyer the White Circle contributed DM3,000 to carry the woman over and take care of immediate needs.

There are more than four million criminal offences in West Germany annually, including 100,000 acts of violence such as murder, manslaughter, rape, robbery and bodily harm.

Chancellor Helmut Kohl last spring commissioned a report from the White Circle on victims of crime.

Eduard Zimmermann, White Circle chairman, wrote in a foreword to the report:

"The public, politicians and experts have for years been very concerned about the criminal, about his motives, his punishment and his rehabilitation into society, but little attention has been paid to the victims."

In this report, entitled "Innocent but Neglected," Zimmermann expressed his satisfaction "that for the first time in German legal history a head of government has shown his interest in the fate of the victims of crime by asking for this report."

In its eight years of existence the organisation has provided financial assistance in 3,261 cases.

Cash has been offered to help people over a difficult interim period, money for loss of earnings or property, for a holiday away from it all, for medical treatment and for legal action and lawyers' fees.

In 2,554 cases voluntary workers helped victims to deal with government organisations. Medical care was arranged, assistance given to find new jobs or a home and for job retraining.

Members contribute to White Circle funds, donations are made by members of the public, and courts and public prosecutors' offices make fines payable to the White Circle.

The report commissioned by the Chancellor was submitted last week and presented to the public at a press conference that was very thinly attended.

In the report the White Circle attempts to analyse the current position of victims of crime.

In the summary it claims that almost 80 per cent of people helped by the organisation suffered from long-term ill-health and 24 per cent from permanent health damage.

Almost every sixth victim lost his or

STUTTGARTER ZEITUNG

her job and suffered "serious social setbacks. The consequences were frequently a lifetime of need, poverty and social assistance," the report declared.

White Circle only takes up really needy cases, in accordance with its rules. The organisation is then only able to pass comment on the consequences of crime on this group of people but it can show that that criminal violence hits weaker social groups particularly hard.

Almost 90 per cent of victims helped by White Circle belonged to the lower income groups such as pensioners, unemployed, young people in training or children.

White Circle maintains that 75 per cent of the families affected by criminal violence have a total monthly income of less than DM2,000.

The report adds: "The state does nothing for the victim. The duties of the victim as a witness are clearly defined, but the state should also do something about looking after the rights and claims the victim has against the offender, the state and society."

According to White Circle in cases when the courts find in favour of the accused on grounds of doubt the victims are particularly at a disadvantage.

The victim's good reputation is harmed and he or she has no claim for damages.

The worst affected are said to be women and elderly people. About 62 per cent of recipients of assistance from the organisation are women and about 20 per cent 60 or over.

Victims, as witnesses to a crime, are more often than not put into a painful situation a second time, humbled, discriminated against and shown up, because the course of justice is painful.

And there is little hope for those who try to get compensation from the offender with the help of the courts. Only about five per cent of crime victims get minimum compensation in this way. In most cases a victim who goes to court just has to pay out additional legal costs.

White Circle is highly critical of the Crime Victims Compensation Act. Only five per cent get any damages payments as a result of this legislation.

Victims of rape are at a particular disadvantage. Only every 42nd victim gets compensation via the Act. Generally speaking no compensation is made for psychological disturbance due to rape.

New legislation to protect victims of crime, according to proposals made by White Circle, will end the present position, which is that the state's demands have priority over the victim's.

But White Circle regards the new legislation as not going far enough and it does not give enough consideration to the consequences of crime.

Two figures show how limited state aid to the victims of crime is and how important White Circle's aid has been: from 1977 to 1984 White Circle provided DM16.1m for aid to crime victims; in the same period central and state governments provided DM20.4m under present legislation.

Ada Brandes

(Stuttgarter Zeitung, 5 February 1986)



Cops on skates

With Hamburg's city-centre lake, the Alster, well and truly frozen over, water division police officers Michael Bunge and Helmut Heyden get off to a shaky start on skates. (Photo: ...)

Police protest low pay, low morale

Thousands of police officers took part in a demonstration in Düsseldorf on 24 February. It was the prelude to a series of similar events scheduled to take place in the next few weeks all over the country.

The aim of these demonstrations is to show the public that police morale is low. They regard themselves as underpaid, disliked and let down by the public.

There is considerable frustration in police stations and patrol cars.

Günter Schröder, chairman of the Police Federation, is angered when politicians say that they stand four-square behind the police.

He said: "As far as I can see there is no-one standing behind us, to the side of us or in front of us when it's a matter of finding solutions to our problems."

Schröder does not just mean more money, although that comes into it.

The police believe they are paid as unskilled worker rates and not qualified personnel who have to put in shift work and deal with the shady side of society.

The average policeman finds himself in the front line when plastic bags full of urine and stones are being hurled at the constabulary. His duties are far from peaceful.

PC Average is called out from between 10 to 20 times on a shift. Between four to eight of these calls involve criminals.

When rowdies are doing their ... A policeman has only a moment to decide whether to draw his service revolver.

He has to take people into custody and know something of the regulations on foreigners, trade and environmental protection.

His tact and sensitivity are called for when dealing with people suffering from shock in a motoring accident or married couples go for one another with a knife.

Reports have to be written and written accurately. And what does a police...

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■ EDUCATION

Flexitime at Kassel Open School

Frankfurter Rundschau

Children at the Open School in Kassel like going to school. Unlike schools that make children wait in the morning cold before being let in, the Open School opens early.

Under the supervision of teachers, pupils have access to all rooms and can be helped with homework while they wait for class to begin.

The school has dispensed with bells. At 8.45 the teacher puts his finger to his lips, raises his arm and brings the class to silence within minutes.

Teacher Dieter Grobe is one of the spiritual fathers of the Open School. This flexible start to the day has for him been the most terrific experience in the school experiment's three years. He believes it achieves a balanced and harmonious day at school.

The children should have a more open relationship to school. They should grasp it is part of the life that they are learning about. And they do seem to have grasped this.

The pupils come from all social classes, and are offered the possibility of getting elementary and junior school certificates and going on to technical college or higher secondary levels.

The first Open School started in Hesse in 1983 with 125 fifth year students, as an independent school with particular innovations.

A group of planners consisting of teachers and parents from the already existing comprehensive, drew up a more all-embracing concept.

It was based on the considerations and work of the Hesse FDP and former SPD Education Minister Hans Krollmann.

Many educational ideas of Celestin Freinet find expression in this concept. Autonomy and interaction of learners are of the utmost importance.

Students are to be stimulated by free learning embedded in the curriculum along with the usual compulsory subjects. Interest is to be aroused and pursued.

Grobe says the concept also grew out of 10 years' experience of anonymity between teachers and pupils in state comprehensive schools.

Open School ... learner ... longing.

The six streams of a class year have at the most 22 pupils each. They divide themselves up into groups according to schedules worked out by themselves.

Each child has its own seat and reference group in the classroom, where the main part of the teaching takes place.

Apart from the teaching aspect, the child experiences the school as a substitute home for the duration of the lessons.

Every class year forms a cluster, independent and separate from the others. Two class years have their own houses. One is incorporated into, but separate from, the school complex.

Admittedly only a school with virtually unlimited space can afford this.

Six classes and a teachers room are laid out around a kind of entrance hall, where playing and learning can take place. It occasionally serves as a theatre stage.

Twelve teachers have sole responsibility for each class year. Everyone knows everyone else, and sight is never lost of what is going on.

The "opening" of the morning period is viewed particularly positively. The open start is followed by four morning lessons interrupted by a thirty-minute break.

Formerly the children had to endure six claustrophobic lessons in a row, and are as appreciative of the change as the teachers.

Most of the children who live in the area go home during the one-hour lunch break. However Waldau lies far out in the Kassel surburbs.

So about half the students eat in the canteen for 2.75 marks. Children of unemployed parents can eat free, but their eligibility is rechecked daily.

After lunch there are two regular teaching hours. Fears that the pupils would be later unreceptive have been groundless. On the contrary, when teaching ends at 14.40, every student enrolls for at least one of the extra curricular activities on offer.

On Mondays, weekly work plans are drawn up for every child. At the end of the week, what has or has not been finished is discussed. The parents and children must sign the plans. In this way performances are controlled.

Friday 'class meeting'

The children independently get through a definite curriculum, organise their work and learn to deal with time and material.

Free texts are part of this. Each pupil writes one per week, the theme, length and form are left to them.

During the last school hour on Friday, the Class Meeting takes place. Teachers and pupils discuss on equal terms the positive and negative points entered on the notice board during the week.

One can see Freinet's influence here. Children will hopefully learn to recognise and clear up their own affairs.

Certainly some points could be improved. For instance parent involvement, does not function as originally hoped. Parents do not come freely. Links between neighbourhood and school still leave much to be desired.

Sabine Lietz

(Frankfurter Rundschau, 20 February 1986)

Hamburg school runs special classes for pregnant girls

General-Anzeiger

Despite sex education and a choice of contraceptives many schoolgirls are pregnant. Birgit Kiesewetter of the Hamburg Student Aid scheme says few cope with the situation without conflict or are strong enough to get by without parental or school help.

Many end up with no domestic support or contact with the father. Pregnancy absenteeism jeopardises exams. And the teachers feel overtaxed by the girls' special problems.

Margit Hüter, head of department at the State Vocational and Domestic Science School, criticises the schools for their bureaucratic inflexibility to the physical and psychological problems of pregnant juveniles.

For 28 years she has headed the only department in a vocational school which primarily trains pregnant girls. Presently about 120 girls, mostly 16 to 19-year-olds are preparing for their intermediate exams.

The school's biggest advantage is its speed in reacting to the individual needs of the student. Pregnancy absenteeism is tolerated more and motivates the pupil to rejoin the class.

Enrolment and exams take place several times a year. The lesson themes change every few weeks to enable new students to join in easily. This kind of teaching model require flexibility and organisation skill.

Teacher Heidrun Gäbert says lessons are more enjoyable. The girls are more motivated and involved than usual. Around 75 per cent pass the first or second intermediate exams. Many get both.

She says the success rate used to be higher. Poorer job prospects have somewhat weakened resolve in the last few years.

Many girls take the exams after the birth of the child because the infants can be looked after at the school.

Important reasons for the school's popularity may also be the intensive psychological care and the support with private and financial problems.

Birgit Kiesewetter believes the school offers a feeling of belonging. Many pupils keep up contact years after having left the school.

Margit Hüter does however come in for criticism. She has been accused of isolating a problem group. This contradicts the modern trend towards integration.

Her reply is that integration is in fact good. But the schools have to be organised to ensure success for problem pupils. And that is rarely the case.

With the decline in the number of pregnant girls, other problem groups have been taken in. The Hamburg school authorities seem in any case, given growing responsibilities, to favour the survival of the school.

Today a succession of young women from 20 up attend the school. They are women who have to catch up on their diploma, or who have messed up their schooling with drugs or brushes with the law.

Recently a new group has arrived. They are punks who have become isolated because of their shocking appearance and behaviour.

Sibylle Peine

(General-Anzeiger, Bonn, 15 February 1986)

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man get for using all these talents? A salary of DM2,300 before tax.

Policemen are amongst the lowest paid public officials. The most they can earn is DM3,090 as a sergeant.

The Police Federation has calculated that 75 per cent of government officials in North Rhine-Westphalia earn DM4,500 gross.

Among the police only four per cent earn this figure and the position in other *Länder* is the same.

Despite this, police responsibilities escalate. Although more than ten million hours of overtime are worked annually, in the past two years there have been cuts in police manpower, with 3,000 men being axed.

The chances of promotion are also nil. Senior positions are now given to qualified lawyers and the police college provides police superintendents.

One policeman said: "Those at the top of the ladder have no idea about our problems and difficulties."

Schröder said those who hold out no future for a policeman cannot expect him to be enthusiastic about the work.

Because there is no pay for some of the extra jobs a police officer undertakes, he does his duty but no more. The police feel they have been let down by the politicians.

The police complain vociferously that society's conflicts are played out on their backs. Many police feel themselves to be whipping boys when they have to go into action with demonstrators who get out of hand.

In the fight against organised crime the police have had to wait too long for guidelines for using informers.

Officials are working far too quickly on the package of "seven security laws". According to the Police Federation the regulations are half-baked.

Despite the full authorisation of security officials no one is happy with the package.

One police officer said: "Are citizens likely to cooperate when they fear that their statements can land up with the security services?"

Horst Zimmermann

(Stuttgarter Nachrichten, 19 February 1986)